

Good morning. I'm Bob Laresche. I have a ranch between Gillette and Sheridan. I'm chair of the Powder River Basin Resource Council. We will be submitting voluminous suggestions for scoping on the 28th. Federal action has long benefitted coal production in all our western states. SMCRA, long strip mining of vast acreages, and federal environmental regulations, ironically, raise the value of the West's low sulphur federal coal creating the Powder River Basin industry and leading to jobs, in-migration, new citizens, and vital cities. Interior has sold billion of tons of publicly owned coal at low prices in its quest for domestic energy security. But flaws in this leasing system, management failings by both the companies and the government and evolving markets have led to today's dysfunction, a system controlled by huge outside corporations unable to respond to market changes. The leasing system needs fixing, and a down market is the perfect time to fix it. I want to hit four high points. First, 40 years of leasing and management have created thousands of jobs, thriving communities, and deep state revenue dependence on coal mining. Both state and federal governments have created moral obligations to provide a just transition to the new economic future. Pensions, healthcare, other benefits earned over the decades must not be voided. Economic diversification initiatives must be created and underwritten. Interior can't do this alone. The federal government can't do this alone. States like Wyoming must participate. Second, the leasing system must be modernized and simplified to fit new market realities. Interior must take control of the leasing program that reflects markets, both supply and demand, and must retire the present lessee-driven system. Third, reclamation requirements must be completely revised and rigidly enforced so that water and land quickly are returned to their original best uses truly contemporaneously with mining. Self-bonding, which removes all incentive for timely reclamation and puts taxpayers at risk when corporations file bankruptcy, must be totally eliminated. Finally, Interior must reassess the fair return on the nation coal. What is the fair return to the miners, to the communities and states? What is the fair return to the American citizens who own the coal? And what is the fair return to the corporations who lease the right to extract and sell it? There must be new means of assuring competition in bidding, transparent lease valuation, transparent royalty

collections stripped of loopholes and unaudited self-reporting, and rational sharing of revenues with the States. The new program must treat fairly the whole broad range of stakeholders.